

Agenda Date: 8/15/01 Agenda Item: 3A

STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF CSC)	
TKR, INC. D/B/A CABLEVISION OF RARITAN)	RENEWAL
VALLEY FOR A RENEWAL CERTIFICATE)	CERTIFICATE OF APPROVAL
OF APPROVAL FOR THE BOROUGH OF	
KEYPORT, MONMOUTH COUNTY, STATE)	BPU DOCKET NO. CE00100757
OF NEW JERSEY	

Schenck, Price, Smith & King, Morristown, New Jersey, by James Eric Andrews, Esq., for the Petitioner.

Borough Clerk, Borough of Keyport, Judith L. Poling, for the Borough.

BY THE BOARD1:

On January 9, 1980, the Board granted Cross Country Cable, Ltd. ("Cross Country") a Certificate of Approval in Docket No. 799C-6547, for the construction, operation and maintenance of a cable television system in the Borough of Keyport ("Borough"). On February 5, 1982, the Board approved the transfer of the Certificate from Cross Country to TKR Cable Company ("TKR") in Docket No. 8112C-6860. On October 7, 1991, the Board issued a Renewal Certificate of Approval to TKR. On April 2, 1997, the Certificate was transferred to TCI Atlantic, Inc. d/b/a TKR Cable Company ("TCI") in Docket No. CM96040359. On December 17, 1997, the Certificate was transferred from TCI to CSC TKR, Inc. d/b/a Cablevision of Raritan Valley ("Petitioner") in Docket No. CF97090674. Although the Petitioner's Certificate expired on January 9, 2000, it is authorized to continue to provide cable television service to the Borough pursuant to N.J.S.A. 48:5A-25.

The Petitioner filed an application for the renewal of its municipal consent with the Borough on or about March 2, 1999, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Borough, after public hearings, adopted an ordinance on October 5, 1999 for a term of five years. The Borough subsequently amended its ordinance on February 1, 2000. On August 25, 2000, the Petitioner notified the Borough that it would not accept the ordinance.

On October 2, 2000, pursuant to N.J.S.A. 48:5A-17(d), the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Borough. The Petitioner alleged that the Borough was arbitrary and capricious in granting a five-year term as well as other provisions to which the Petitioner objected. The Borough filed an answer to the petition on November 3, 2000.

Subsequently, the Borough and the Petitioner commenced negotiations, and on February 20,

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¹ Commissioner Carol J. Murphy did not participate in the deliberations on this matter.

2001, the Borough adopted a municipal ordinance granting renewal consent to the Petitioner. The ordinance was granted for a term of five years from the date of issuance of the Renewal Certificate of Approval issued by the Board. The Petitioner accepted the ordinance on February 28, 2001, and on May 13, 2001, filed an amended petition for the Borough.

The Board has reviewed the application for municipal consent, the petition and amended petition for a Renewal Certificate of Approval, and the amended renewal municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Borough reviewed these qualifications in conjunction with the municipal consent process. See N.J.S.A. 48:5A-22 to 29 and N.J.A.C. 14:18-13.
- 2. The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is a term of five years from the date of issuance of this Certificate. The Office of Cable Television finds this period to be of reasonable duration.
- 5. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.
- 6. Pursuant to N.J.S.A. 48:5A-26(a), the ordinance specifies a complaint officer. In this case, it is the Borough Clerk. All complaints shall be received and processed in accordance with the procedures set forth in the ordinance.
- 7. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The current local office serving this provision is located at 499 Ernston Road in Parlin (Sayreville Borough).
- 8. The franchise fee to be paid to the Borough is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Borough. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 9. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate (Appendix "I"). The minimum homes per mile figure ("HPM") is 35.
- 10. The Petitioner shall provide public, educational and governmental ("PEG") access

channels and facilities in accordance with its renewal application and the renewal ordinance. The Petitioner shall provide the Borough with two PEG access channels for the exclusive use of the Borough for cablecasting of non-commercial programming by public, educational and governmental entities. If requested by the Borough, the Petitioner shall construct, at its own expense, a fiber optic return line to provide the Borough the ability to cablecast from either Keyport High School or the Municipal Building.

- 11. The Petitioner shall reimburse the Borough up to \$15,000.00 to be applied against the purchase of a character generator, camera with battery pack, microphones, monitor(s), a playback deck and other similar equipment. The Petitioner shall provide initial training to volunteers and/or students who will be operating this equipment.
- 12. The Petitioner also provides some access time on its local origination ("L.O.") channel and cablecasts public service announcements for non-profit organizations. The Petitioner provides some access equipment for use by its franchised municipalities and their residents.
- 13. The Petitioner shall provide the standard installation and service of one outlet, free-of-charge, to each public school, the public library, each municipal building, and each fire station in the Borough.
- 14. Upon cable Internet service becoming commercially available in the Borough, the Petitioner shall provide one free cable modem and Internet access to all public libraries and to each accredited school capable of being served by a standard installation (150 feet).
- 15. Within one year, the Petitioner shall implement a discount for senior and disabled citizens, who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program.

Based upon these findings, the Board HEREBY CONCLUDES that, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), the Petitioner has sufficient financial and technical capacity and meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is HEREBY ISSUED this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Borough.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein.

The Petitioner shall adhere to the operating standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> Section 76.1 <u>et seq.</u> Any modifications to the provisions thereof shall be incorporated into this Certificate. Additionally and more specifically,

the Petitioner shall adhere to the technical standards of 47 C.F.R. Part 76, Subpart K.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire five years from the date of this Order.

DATED: August 15, 2001 BOARD OF PUBLIC UTILITIES BY:

(signed)

CONNIE O. HUGHES ACTING PRESIDENT

(signed)

FREDERICK F. BUTLER COMMISSIONER

ATTEST:

(signed)

FRANCES L. SMITH BOARD SECRETARY